

Derek Wallbank, *MinnPost*

WASHINGTON - Last year, Rep. Collin Peterson was one of the very few Democrats to sit on the Republican side of the aisle for the State of the Union address. This year, in a public show of comity following the shooting of Rep. Gabrielle Giffords in Arizona (whose seat was left empty in her honor), it seemed like almost everyone had a bipartisan "date."

"Sitting w/ Republicans won't cure cancer, won't solve every problem, but why not try to get along? Its easy & might build a bridge," Democratic Rep. Keith Ellison tweeted from the House floor shortly before President Obama began his remarks.

But the question that seemed to linger over the House floor as Obama gave his annual speech: Will it all last?

Yes, the State of the Union is still "strong," the favored phrase of presidents in recent years no matter the circumstances.

But President Obama warned Tuesday that unless the U.S. invests in education and infrastructure while reining in deficits, it won't be strong enough to "win the future" in the face of an emergent China and India. And to do that, compromise will be needed.

"With their votes, the American people determined that governing will now be a shared responsibility between parties," Obama said. "New laws will only pass with support from Democrats and Republicans. We will move forward together, or not at all - for the challenges we face are bigger than party, and bigger than politics."

That means Education Secretary Arne Duncan and Education, a Democrat, and the Workforce Chairman John Kline, a Republican, have to find a compromise on the future of education policy. It means that Democrats and Republicans will have to agree on a funding mechanism for a massive surface transportation investment bill - one very much like what then-Rep. Jim Oberstar tried to pass last year but had blocked by a White House, Democratic Senate and Republicans throughout who rejected basically every proposed funding mechanism put forward.

They'll have to do all that while trying to slash federal budgets to try and check an ever-growing national debt. To that end, Obama called for a five-year freeze in non-security spending while several Republicans said before he gave the speech that wouldn't go far enough. And as was made plain when Rep. Michele Bachmann released a list of draft cuts that don't even cut the deficit in half, even the littlest cuts will hit painfully close to home in every congressional district across America.

"It was a pretty comprehensive speech," Sen. Al Franken summed up. "It's pretty daunting though."

A tonal change as challenges loom

If it seemed like Obama's speech was a move more to the political center, that was deliberate, White House officials said in a briefing with reporters earlier in the day. And it seemed obvious to those in the chamber and some experts watching on TV.

"Although the president did remind viewers of some of his legislative successes over the past two years, his speech outlined an agenda that, for the most part, both parties could support," said Kathryn Pearson, a political science professor at the University of Minnesota.

"The president and congressional Republicans, for example, indicated tonight that they are serious about reducing the deficit, even if their plans are short on specifics. The two parties will have different ideas about the specifics, but this is one area where at least some compromises can be reached if both sides are willing to do the work and are willing to upset some of their core supporters."

Sen. Amy Klobuchar, a Democrat, said she noticed a change in lawmakers' response to this State of the Union. It was much less partisan, she said, at least partly since lawmakers were intermingled by party and thus visibly half the chamber wasn't standing and applauding.

And the tone from Obama was encouraging. "I think he really struck a tone of common good," Klobuchar said.

Republican Rep. Erik Paulsen agreed, saying Obama struck "absolutely the right tone," and freshman Republican Chip Cravaack said he preferred Obama's speech tonight to his record over the past two years. "I agree with 80 percent of what he said, but I disagree with about 80 percent of what he's done," Cravaack said."

Rep. Keith Ellison said his reaction was mixed. He praised the call for additional infrastructure investment ("infrastructure is where it's at") but criticized some of Obama's planned cuts to the social safety net and, in the end, conceded Obama was "dealing with the reality" of how Congress had realigned after the election.

Klobuchar said she was particularly pleased he used the words "innovation agenda" - words she's used to describe an education package she's introducing soon with Massachusetts Republican Sen. Scott Brown.

One of Obama's larger investment calls, and one of his more popular ones at that, was for a full, six-year surface transportation bill similar to what Oberstar proposed last session.

"Our infrastructure used to be the best - but our lead has slipped," Obama said. "South Korean homes now have greater internet access than we do. Countries in Europe and Russia invest more in their roads and railways than we do. China is building faster trains and newer airports. Meanwhile, when our own engineers graded our nation's infrastructure, they gave us a 'D.'

"We have to do better. America is the nation that built the transcontinental railroad, brought electricity to rural communities, and constructed the interstate highway system. The jobs created by these projects didn't just come from laying down tracks or pavement. They came from businesses that opened near a town's new train station or the new off-ramp."

The move was enthusiastically backed by many following the speech - indeed it may have been the area of most agreement.

Burnsville Mayor Elizabeth Kautz, head of the U.S. Conference of Mayors, hailed the focus by saying mayors have long recognized infrastructure modernization "as a means of job creation and economic development."

"A multi-modal transportation system is critical to effectively moving the nation's goods and services and people - 85 percent of whom live, work and travel in metropolitan areas - through the nation's cities both large and small."

However, that bill died last term for lack of a funding mechanism. The federal gas tax no longer fully covers road spending, and solutions for fixing that - from a higher gas tax to mileage fees to more tolls - were rejected already. And if Democrats couldn't pass that bill last year, how could this year be any better?

Conventional wisdom states Obama will mathematically have a tougher time getting his agenda through. For about six months, he had 60 senators and a 40+ vote majority in the House at least nominally on his side. Now, the House is GOP controlled and Senate Democrats are down to 53 seats.

However, Rep. Tim Walz said that "having a split Congress can be a positive thing," in that it can force lawmakers to work together.

"This will no longer be about negotiating with two senators and moving Mount Rushmore to Maine," Klobuchar agreed, a reference to the deals proffered during the repetitive courtship of Maine's two centrist Republican senators.

Budget fight looming

Not mentioned in all this: How the president plans to pay for any or all of his plans - or more likely what he'll have to cut to make up the difference. And while White House officials told reporters more details would come in the budget release, Obama did lay out a few themes.

Obama outlined a planned spending freeze for non-security discretionary spending - "security" in that phrase standing for defense, veterans affairs and homeland security. He would continue the push for defense cuts outlined by Secretary Robert Gates, though he didn't really specify, and cuts to entitlement programs and mandatory spending.

However, that spending freeze is at 2011 levels - which won't be known until Obama releases his 2011 budget in a few weeks' time.

Additionally, the president said he'd veto any bill containing any earmarks - a pledge that would on the one hand dovetail with the GOP's earmark moratorium but infuriated some Senate Democrats like Majority Leader Harry Reid, who correctly noted before the speech that it would represent a massive growth in executive authority at the expense of the legislative branch.

The reform that could loom largest, however, was a plan to rid the corporate tax code of many exceptions and use the savings to lower the overall tax rate. "We have a tax code that has been manipulated by special interests and lobbyists," Rep. Betty McCollum said in praising the idea - though the White House was clear in background conversations it wouldn't proceed on that without buy-in from both House and Senate leaders in both parties.

Interestingly, however, one expert suggested that Obama's early lack of specifics could be an advantage for the White House in budget negotiations.

"The usual schedule is for the SOTU to be delivered 3-5 days before the budget is released so the president has a very short time to talk about the big positive themes included in the speech before the specific revenue and spending changes become the news," said Stan Collender, a partner at Quorvis Communications and author of the popular budgeting blog Capital Gains and Games.

"This year will be different because the budget won't be sent to Congress until the week of February 14 at the earliest. That will give the White House three weeks or more to keep the focus on its themes and dreams without having to shift to defending the specific proposals. That will make it far tougher for the GOP to criticize what the president talks about and push them to find creative ways of changing the discussion back to the Republican agenda."

They'll sure try, though. In a response broadcast live on CNN and streamed by the Tea Party Express, Bachmann told voters that Obama's cuts don't go nearly deep enough.

"Thanks to all of you, there's reason to hope that real spending cuts are coming," Bachmann said. "Last November many of you went to the polls and voted out big-spending politicians and you put in their place men and women who have come to Washington with a commitment to follow the Constitution and cut the size of government. And I believe that we are in the early days of a history-making turn here in the House of Representatives.

"Last week we voted to repeal ObamaCare, and each day going forward, we must work hard to dismantle the massive government expansion that has happened over the past two years."

Bachmann has proposed a laundry list of cuts totaling more than \$420 billion and challenged other members to produce their own. Kentucky Sen. Rand Paul outdid her, listing more than \$500 billion in cuts.

However, the GOP's official line may come more from the man who gave their official response: House Budget Chairman Paul Ryan of Wisconsin, who has proposed reforms to entitlement programs like Social Security and Medicare.

"Americans are skeptical of both political parties, and that skepticism is justified - especially when it comes to spending," Ryan said. "So hold all of us accountable." He described the more than \$14 trillion national debt as a "crushing burden."

White House Communications Director Dan Pfeiffer said the old political axiom that the GOP wants to cut and Democrats want to spend isn't applicable any longer.

"The question isn't how much we're going to cut, but how we're going to cut." While Republicans (including Minnesota's entire GOP delegation) have endorsed a return to 2008, pre-stimulus spending levels, the White House prefers more targeted cuts, to be matched alongside

additional money for transportation, education and other "investments."

"Cutting alone is not a strategy," Pfeiffer said hours before the speech. And Obama said that while he'll back many cuts, there's a limit to how deep his budget scalpel will reach.

"I recognize that some in this Chamber have already proposed deeper cuts, and I'm willing to eliminate whatever we can honestly afford to do without," Obama said. "But let's make sure that we're not doing it on the backs of our most vulnerable citizens. And let's make sure what we're cutting is really excess weight. Cutting the deficit by gutting our investments in innovation and education is like lightening an overloaded airplane by removing its engine. It may feel like you're flying high at first, but it won't take long before you'll feel the impact."